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E.O. 12958: DECL: 03/20/2028
TAGS: [PTER](#) [ASEC](#) [PINS](#) [PA](#)
SUBJECT: FORMER PPL MEMBERS ANNOUNCE EXISTENCE OF
PARAGUAYAN PEOPLE'S ARMY

Classified By: DCM Michael J. Fitzpatrick for reasons 1.4 (b) and (d).

11. (C) SUMMARY: Former Free Fatherland Party (PPL) members announced March 17 the existence of the Paraguayan People's Army (EPP), an armed revolutionary group operating in Concepcion Department. Their comments followed a March 12 incident in which the EPP claimed responsibility for vandalizing a ranch in Concepcion. PPL members claimed that former PPL members formed the group in February 2006 to fight government injustice and end 60-plus years of Colorado rule; however, Horqueta police told RSO that the Concepcion incident most likely stemmed from a local property dispute. EPP "spokesperson" Carmen Villalba claimed not to know presidential candidate Fernando Lugo (accused by the Colorado Party of ties to the PPL). The EPP appears to represent the early beginnings of a reincarnated if small PPL threatening future armed action should the Colorados not cede power after April's presidential elections. END SUMMARY.

12. (C) The previously unknown EPP, or Ejercito del Pueblo Paraguay, claimed responsibility for vandalizing March 12 over USD 400,000 in farm equipment owned by Brazilian ranch owner Nabor Both in Horqueta, Concepcion Department. The perpetrators left a pamphlet with the inscription, "Paraguayan People's Army, German Aguayo Command -- land to the campesinos -- whoever kills with agrotoxins will pay in this manner." A police report indicated that four or five people were involved. Police have not named any suspects in connection with the case; police told RSO March 18 that they believe the attacks on Both's property stemmed from a local property dispute.

13. (C) Carmen Villalba, who is serving a 18-year prison sentence at Good Shepherd Women's Prison for the November 2001 kidnapping of Maria Edith Bordon de Debernardi, stated in a March 17 Telefuturo interview that revolutionaries formed the avowedly "Marxist-Leninist" EPP to fight government-sanctioned violence against campesinos. (NOTE: Police arrested Villalba and her husband, former Chilean Manuel Rodriguez Patriotic Front member Alcides Oviedo, in July 2003. Both were convicted in June 2007 of involvement in Bordon's kidnapping. Bordon was released post-ransom. END NOTE.) Villalba stated that the killing of a young man in January of this year at Both's ranch -- and failure on the part of local authorities to investigate his case -- prompted the EPP's attack. She claimed that the EPP would "fight fire with fire" and would use violence against the Colorado government and its oligarchy (Paraguay's 400 wealthiest families), who she claimed have abused campesinos during their 61 years in power. She cited Article 138 of the 1992 Constitution, which permits "the citizenry to resist all usurpers (of justice) by all means at their disposal," as a basis for the EPP's militant campaign.

14. (C) Cristobal Olazar, former PPL secretary general and an

informant and witness for the Public Ministry in the case of Cecilia Cubas (kidnapped and killed by the PPL), also confirmed the EPP's existence. Olazar told the newspaper Ultima Hora March 17 that the EPP was created in February 2006 following a police attack on campesinos in Puentesino, Concepcion. (NOTE: Sensitive reporting indicates that the PPL attacked a police station in Puentesino around the same time, in which a police officer was killed. It is unclear if the events are directly related. END NOTE). Olazar claimed that the EPP is led by former PPL members Osmar Martinez, Carmen Villalba, Osvaldo Villalba, Magna Meza, and Manuel Cristaldo Mieres. Carmen Villalba would not confirm whether she or her brother Osvaldo were involved in the EPP, only that she was its "spokesperson." Villalba denied that the EPP had ties with the Revolutionary Armed Forces of Colombia (FARC), although she welcomed EPP-FARC cooperation. (NOTE: Police killed German Aguayo in the 2003 raid in which Carmen Villalba was captured. Martinez is serving 35 years in prison for his involvement in the Cubas case. Osvaldo Villalba, Meza, and Mieres remain suspects at large for the 2004 kidnapping and 2005 killing of Cecilia Cubas, daughter of former President Raul Cubas. END NOTE.)

15. (SBU) Villalba told the press March 17 that she had never met Lugo, despite his alleged ties to the PPL. She declared that she "personally" supported his presidential candidacy if only to end Colorado party rule, but that she did not see Lugo and his "center right" Liberal allies as the same as true "change by the people." Lugo's supporters questioned whether the Colorados had cut a deal with Villalba to announce the EPP's existence and tie Lugo to it one month before the national election. Yet Colorado presidential candidate Blanca Ovelar March 18 called Villalba "delirious;" Ovelar's running mate Carlos Maria Santacruz denied the EPP's existence.

16. (C) COMMENT: The EPP appears to represent the early beginnings of a reincarnated PPL, although all signs point to a very small (and for now, fairly inactive) membership. Its main goal seems to be organization of an armed insurrection if the Colorados fail to cede power in the event of an opposition victory in April. While they may be the EPP's targets, the Colorados also benefit from allegations that Lugo has ties to the PPL/EPP (further bolstered by ongoing Colorado "Photoshopped" propaganda nationwide purporting to show Lugo in fatigues holding an Ak-47 assault rifle). END COMMENT.

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